

**SIXTH AMENDMENT TO MASTER DEED OF
THE RETREAT AT RIVERLAND
HORIZONTAL PROPERTY REGIME
AND
FIRST AMENDMENT TO BY-LAWS OF
RETREAT AT RIVERLAND HOMEOWNERS ASSOCIATION, INC.**

This Sixth Amendment to Master Deed of The Retreat at Riverland Horizontal Property Regime ("**Sixth Amendment**") is made as of this 23rd day of March, 2006, by Riverland II, LLC, a South Carolina limited liability company ("**Declarant**").

RECITALS

WHEREAS, Declarant heretofore executed the Master Deed of The Retreat at Riverland Horizontal Property Regime on January 27, 2003, the original of which was duly recorded in the RMC Office for Charleston County (the "**Register's Office**") on January 27, 2003 in Book K-434, at Page 18 (the "**Original Master Deed**"); and

WHEREAS, the Original Master Deed was amended by the Declarant by an Amendment to Master Deed of The Retreat at Riverland Horizontal Property Regime dated February 11, 2003 which was duly recorded in the Register's Office on February 12, 2003 in Book O-436, at Page 393 (the "**First Amendment to Master Deed**"); and

WHEREAS, the Original Master Deed was further amended by the Declarant by a Second Amendment to Master Deed of The Retreat at Riverland Horizontal Property Regime dated November 7, 2003 which was duly recorded in the Register's Office on November 13, 2003 in Book H 475, at Page 528 (the "**Second Amendment to Master Deed**"); and

WHEREAS, the Original Master Deed was further amended by the Declarant by a Third Amendment to Master Deed of The Retreat at Riverland Horizontal Property Regime dated May 23, 2005 which was duly recorded in the Register's Office on May 24, 2005 in Book Y537, at Page 810 (the "**Third Amendment to Master Deed**"); and

WHEREAS, the Original Master Deed was further amended by the Declarant by a Fourth Amendment to Master Deed of The Retreat at Riverland Horizontal Property Regime dated September 29, 2005 which was duly recorded in the Register's Office on September 29, 2005 in Book V-555, at Page 615 (the "**Fourth Amendment to Master Deed**"); and

WHEREAS, the Original Master Deed was further amended by the Declarant by a Fifth Amendment to Master Deed of The Retreat at Riverland Horizontal Property Regime dated October 12, 2005 which was duly recorded in the Register's Office on October 14, 2005 in Book A-558, at

Page 548 (the "**Fifth Amendment to Master Deed**") (the Original Master Deed as amended by the First Amendment to Master Deed, the Second Amendment to Master Deed, the Third Amendment to Master Deed, the Fourth Amendment to Master Deed and the Fifth Amendment to Master Deed being hereinafter referred to as the "**Master Deed**"); and

WHEREAS, the Declarant intends on relinquishing its right to appoint members of the Board of Directors of the Retreat at Riverland Homeowners Association, Inc. (the "**Association**") and wishes to amend the Master Deed prior to relinquishing this right; and

WHEREAS, pursuant to Section 23.3 of the Master Deed, Riverland II, LLC as the Declarant may unilaterally amend the Master Deed; and

WHEREAS, the Retreat at Riverland Homeowners Association, Inc., (the "**Association**") was formed on or about September 24, 2001 by the filing of articles of incorporation with the Office of the Secretary of State for the State of South Carolina (the "**Secretary of State's Office**"); and

WHEREAS, the Association has adopted By-Laws dated as of January 27, 2003 (the "**By-Laws**"); and

WHEREAS, Section 6.6 of the By-Laws authorizes the Declarant to amend the By-Laws unilaterally so long as the Declarant has the right to appoint and remove directors of the Association as provided in the Master Deed; and

WHEREAS, the Declarant wishes to amend the By-Laws prior to giving up its right to appoint and remove directors of the Association as provided in the Master Deed.

NOW THEREFORE KNOW ALL MEN BY THESE PRESENTS that, the Declarant, pursuant to the authority set forth in Article 23 the Master Deed and Section 6.6 of the By-Laws, does hereby unilaterally amend the Master Deed as follows:

1. All capitalized terms used in this Sixth Amendment shall have the same meaning ascribed to them in the Original Master Deed, First Amendment to Master Deed, Second Amendment to Master Deed, Third Amendment to Master Deed, Fourth Amendment to the Master Deed and the Fifth Amendment to the Master Deed, unless the context shall clearly suggest or imply otherwise.

2. All capitalized terms used in this Sixth Amendment shall have the same meaning ascribed to them in the By-Laws, unless the context shall clearly suggest or imply otherwise.

3. Section 6.1(f) of the Master Deed is hereby deleted and replaced in its entirety with the following:

(f) any gas, electric or water meter which serves only one Unit is assigned as a

Limited Common Element to the Unit so served; and

4. Section 10.12 of the Master Deed is hereby deleted and replaced in its entirety with the following:

Reserve Account. Prior to terminating the right to appoint and remove Directors of the Association as provided in this Master Deed, the Declarant will deliver a replacement reserve report on capital maintenance to the Association identifying items which should be funded in order to maintain the Property (the "Maintenance Report" or the "Reserve Report"). Unless disapproved by Owners at a duly called and constituted meeting of the Association by a vote of at least sixty-seven percent (67%) of the total eligible voting power of the Association after termination of the right of the Declarant to appoint and remove Directors as provided in the Master Deed, the Association shall include in its capital budget for each year an annual contribution to a maintenance reserve account to fund all items recommended in the Reserve Report. The Association is explicitly required to fund (through Annual Assessments or Special Assessments) and maintain such a Reserve Account for benefit of the Regime in accordance with the specifications of such Reserve Report. The obligation of the Association to fund and maintain the Maintenance Reserve Account in accordance with the Reserve Report shall survive the expiration of the Declarant's right and ability to appoint members of the Board of Directors of the Association as discussed in Section 21.1 of the Master Deed.

5. The introductory paragraph of Section 20.1 of the Master Deed is amended to delete "(b) the Declarant, so long as the Declarant owns any portion of the Regime...." The revised introductory paragraph of Section 20.1 shall read as follows:

20.1 Amendments to Documents. The consent of (a) Members holding at least sixty-seven percent (67%) of the total eligible voting power of the Association, and (b) Eligible Mortgagees representing at least fifty-one percent (51%) of the total voting power attributable to Units subject to a Mortgage held by an Eligible Mortgagee, shall be required to amend materially any provisions of this Master Deed, the By-Laws, or Articles of Incorporation, or to add any material provisions thereto which establish, provide for, govern, or regulate any of the following:

6. Section 21.1(a) of the Master Deed is hereby deleted and replaced in its entirety with the following:

(a) one hundred twenty (120) days after the Declarant ceases to own seventy-five percent (75%) of the Units in Phase I and any subsequent Phase of the Regime submitted to the Regime in accordance with the provisions of Article 7 of the Master Deed;

7. Section 23.3(b) of the Master Deed is amended to delete "owns a Unit or" from

the first sentence. The revised Section 23.3(b) shall read as follows:

(b) By Members. Except where a higher vote is required for action under any other provisions of this Master Deed or by the Act, in which case such higher vote shall be necessary to amend such provision, this Master Deed may be amended by the written consent of the Members of the Association holding two-thirds (2/3) of the total vote thereof, and the consent of the Declarant for so long as the Declarant has the right to appoint a majority of the directors of the Association. Notice of any meeting at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by an officer of the Association and recorded in the Register's Office. Any action to challenge the validity of an amendment adopted under this Section must be brought within one (1) year of the effective date of such amendment. No action to challenge such amendment may be brought after such time.

8. Section 23.12 is hereby deleted and replaced in its entirety with the following:

23.12 Restriction on Expense of Litigation. Notwithstanding any contrary provision contained in this Master Deed, in no event may the Association commence any action or proceeding against any person seeking equitable relief, or seeking either an unspecified amount of damages or damages in excess of \$75,000.00; or any action or proceeding where the estimated cost of legal fees exceeds \$25,000.00, unless the following conditions are satisfied: (a) the decision to commence such action or proceeding shall be taken at an annual or special meeting of the Association; (b) a budget for such litigation, including all fees and costs assuming trial and all potential appeals, shall have been prepared by the attorneys who will be engaged by the Association for such purpose, and shall have been mailed or delivered to all Owners and posted at the principal office of the Association at least 30 days prior to such meeting; and (c) at such meeting Owners representing an aggregate ownership interest of seventy-five (75%) percent or more of the Common Elements shall approve the decision to commence, and the proposed budget for, such action or proceeding, and shall concurrently approve the imposition of a Special Assessment to fund the costs of such action or proceeding in accordance with the approved budget. The Association shall be authorized to expend funds for such proceeding in excess of the amount contemplated by the approved budget only after an amended budget has been approved in accordance with the procedures specified in the foregoing subparts (a), (b) and (c). The procedural requirements set forth herein, however, shall not apply to any action to collect or otherwise enforce Assessments and any related fines, late charges, penalties, interest, or costs and expenses, including reasonable attorneys' fees, in an amount of \$75,000.00 or less, or any such action where the estimated cost of legal fees is less than \$10,000.00. All of the costs and expenses of any action or proceeding requiring the approval of the Owners in accordance with this paragraph shall be funded by means of a Special Assessment pursuant to paragraph 10.5, and in no event may the Association use reserve funds or contingency funds, reallocate previously budgeted operating funds, or incur any indebtedness in order to pay any costs and expenses

incurred for such purpose. Further, if the Association commences any action or proceeding against a particular Owner or particular Owners requiring the approval of the Owners in accordance with the foregoing, the Owner(s) against whom suit is being considered shall be exempted from the obligation to pay the Special Assessment(s) levied in order to pay the costs and expenses of such action or proceeding. The monetary thresholds stated herein shall increase by multiplying the threshold in effect as of May 1 by the greater of (i) 1.03 or (ii) the dividend of the Consumer Price Index for All Urban Consumers-United States (the "CPI-US"), published by the United States Department of Labor from the month of October preceding the adjustment divided by the CPI-US in effect as of the date of this Third Amendment. Adjustments are to be cumulative. If publication of the CPI-US shall be discontinued, the Association shall select such other statistical index as the Association deems comparable for the cost of living for the United States, as such index shall be computed and published by an agency of the United States or by a responsible financial periodical or recognized authority. In the event of (i) use of comparable statistics in place of the CPI-US, or (ii) publication of the CPI-US figure at other than monthly intervals, there shall be made in the method of computation such revisions as the circumstances may require to carry out the intent of this section.

9. As of the date of the recording of this Sixth Amendment and notwithstanding any other provision of the Master Deed or the By-Laws, Declarant hereby terminates its right to appoint or remove any member of the Board of Directors of the Association and the right to amend the Master Deed unilaterally except as provided in the second and third sentences of Section 23.3(a) of the Master Deed.

10. Section 3.2 of the By-Laws is deleted and replaced in its entirety with the following:

3.2 Number of Directors. The Board shall consist of five (5) directors, as provided in Section 3.4 below.

11. Section 3.3 of the By-Laws is deleted and replaced in its entirety with the following:

3.3 Nomination and Election of Directors. Except with respect to directors appointed by the Declarant, directors shall be nominated by a nominating committee established by the Board and also may be nominated from the floor at a duly called and constituted meeting of the Association. All candidates shall have a reasonable opportunity to communicate their qualifications to the members and to solicit votes, though this opportunity will be severely limited for candidates nominated from the floor.

Each Owner may cast the entire vote assigned to his or her Unit for each position to be filled. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected. Directors may be elected to serve any number of consecutive terms.

12. Section 3.4 of the By-Laws is deleted and replaced in its entirety with the following:

3.4 Election and Term of Office.

(a) The initial Board shall consist of one (1) to five (5) Directors appointed by the Declarant.

(b) Upon termination of the Declarant's right to appoint Directors as provided in the Master Deed, the number of Directors shall be set at five (5). The Association shall hold an election at which the Association's members shall be entitled to elect all five (5) Directors. The three (3) Directors receiving the largest number of votes shall be elected for a term of two (2) years. The two (2) Directors receiving the next highest number of votes shall be elected for a term of one (1) year.

Upon the expiration of the term of office of each initial Director elected by the members, a successor shall be elected to serve a term of two (2) years, and all subsequent terms shall be for two (2) years. The Directors elected by the members shall hold office until their respective successors have been elected.

13. Section 6.6(b) of the By-Laws is deleted and replaced in its entirety with the following:

(b) By Members. Except as provided above, these By-laws may be amended only by the affirmative vote or written consent, or any combination thereof, of members of the Association holding at least sixty-seven percent (67%) of the total votes in the Association, and the consent of the Declarant for so long as the Declarant has the right to appoint a majority of the Directors of the Association. A meeting called for the purpose of considering a proposed amendment hereunder shall be called in accordance with these By-laws. Notice of any meeting at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

14. The second paragraph of Section 6.6(c) is deleted and replaced in its entirety with the following:

No amendment may remove, revoke, or modify any right or privilege of the Declarant without the written consent of the Declarant for so long as the Declarant has the right to appoint and remove Directors of the Association as provided in the Master Deed.

15. Except as specifically provided herein, the provisions of the Original Master Deed, First Amendment to Master Deed, Second Amendment to Master Deed, Third Amendment to Master Deed, Fourth Amendment to the Master Deed and the Fifth Amendment to Master Deed shall remain in full force and effect. To the extent that one or more provisions of this Sixth Amendment appear to be in conflict with the provisions of the Original Master Deed, First Amendment to Master Deed, Second Amendment to Master Deed, Third Amendment to Master Deed, Fourth Amendment to Master Deed and the Fifth Amendment to Master Deed, then the provisions of this Sixth Amendment shall control.

16. Except as specifically provided herein, the provisions of the By-Laws shall remain in full force and effect. To the extent that one or more provisions of this Sixth Amendment appear to be in conflict with the provisions of the By-Laws, then the provisions of this Sixth Amendment shall control.

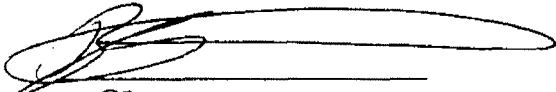
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IN WITNESS WHEREOF, the undersigned has affixed its Hands and Seals as of the date first above written.


WITNESSES:

DECLARANT:

RIVERLAND II, LLC, a South Carolina
Limited Liability Company


Marris A. Ellison

By:


C. Ray Wrenn

Its:

Manager

STATE OF SOUTH CAROLINA)

ACKNOWLEDGMENT

COUNTY OF CHARLESTON)

I, Marris A. Ellison (Notary Public), hereby certify that Retreat II, LLC, by C. Ray Wrenn, its Manager, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and seal this 23rd day of ~~January~~^{March}, 2006.

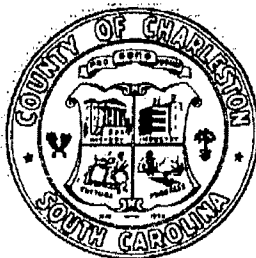

Notary Public for South Carolina
My Commission Expires: 10/15/13

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Charlie Lybrand, Register
Charleston County, SC

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Filed By:

Buist, Moore, Smythe & McGee P.A.
Attorneys at Law
Post Office Box 999
Charleston SC 29402

AUDITOR STAMP HERE
RECEIVED FROM RMC
APR 26 2006
PEGGY A. MOSELEY
CHARLESTON COUNTY AUDITOR

PID VERIFIED BY ASSESSOR
REP 208
DATE 4/25/06

DESCRIPTION	AMOUNT	
		Amend
Recording Fee	\$	14.00
State Fee	\$	-
County Fee	\$	-
Postage		
TOTAL	\$	14.00
\$ Amount (in thousands):		
DRAWER:		
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